

From: Walter Wood
To: Microsoft ATR
Date: 1/23/02 2:31pm
Subject: Microsoft Settlement

I am opposed to the proposed settlement between Microsoft and the DOJ. My reasons for this are several.

- * The penalty proposed is not really a penalty. It only amounts to a slap on the wrist. The behavior MS has exhibited should bring much stronger sanctions.
- * I believe MS has abused their power to stop innovation and to keep new products from competing companies from successfully coming to market.
- * While the cost of all other computing products has come down, the cost of Windows has actually gone up. For example, I purchased a new computer and Windows 3.11 in 1994. The cost was \$79.95 for the full product (not an upgrade). The cost of the equivalent product, Windows XP Professional Edition is now \$299.95. This is a price increase of 375% in eight years.
- * The percentage of the total cost of a computer that goes toward the operating system (Windows) is much higher now than eight years ago. When I purchased my first new computer in 1994 it cost \$2500 the OS was \$50 (Windows 3.1) or 2% of the total cost. You can now buy a computer for \$800 but the OS now costs \$200 or 25% of the total cost.
- * Microsoft is reported to have \$30+ billion in cash reserves while many other companies are going under. While this is not a crime, it does indicate that they can do anything they want to anyone including consumers. The only thing that can stop them are criminal or civil penalties. If their products had competition, they would have to lower prices and they would not have this huge cash reserve.
- * Microsoft is now adding repressive features to its programs that will enable them to prevent your using the product in the future that you pay for today. The example here is Product Activation. I recently had to repair an old computer using Windows 95. I was able to reinstall the OS without a problem. With Product Activation, will I be able to do that four or five years from now? Or will MS force you to upgrade to their newest OS by denying Activation to older products? While I agree MS has a right to protect their investment, if I had a choice I would choose a product without this feature. I don't trust them at all!

Sincerely
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